

USDA - APHIS

TRANSCRIPT OF PUBLIC COMMENTS RECEIVED DURING THE
NATIONAL ANIMAL ID PROGRAM LISTENING SESSION

WEDNESDAY, AUGUST 18, 2004

OHIO DEPARTMENT OF AGRICULTURE
BROMFELD BUILDING, FIRST FLOOR
8995 EAST MAIN STREET
REYNOLDSBURG, OHIO
9:30 A.M.

IN ATTENDANCE:

BILL HAWKS, UNDER SECRETARY, MARKETING AND REGULATORY PROGRAMS

DR. VALERIE RAGAN, ASSISTANT DEPUTY ADMINISTRATOR

JAN GRIMES, MODERATOR

(The meeting began at 9:33 a.m. and opening comments were made by Mr. Bill Hawks and Dr. Valerie Ragan.)

MS. GRIMES: Thank you, Dr. Ragan. The sign's up here, and I will also remind you that in your packets there is also similar information to submit written comments, so don't worry if you don't have a photographic memory. What we're gonna do next is we're gonna call up--there are a total of 19 speakers that have requested three minutes, and I'm gonna call you up in groups of five.

But let me explain a couple of things. I have here in front of me a little magic box that has three different colored buttons. Each speaker is gonna get three minutes. The first light here is a green light, and that will turn green as soon as I put the timer on. At about a minute, when you have about a minute of speaking time left, that's gonna flash green. It's gonna continue to say keep going. The next--at 15 seconds, when you're, you know, really getting close to the end of the period, this orange light's gonna flash. And finally, the red light, we know what that means, that your three minutes are up. And I'll let you go briefly, a little longer, if I think you're, you know, within two or three words of wrapping up. Otherwise, we are gonna try to keep on track and keep this as fair as possible and keep everyone to three minutes.

Again, after all this is over we'll turn this session back over to Mr. Hawks and Dr. Ragan. If there is time to answer or address questions, we'll do that.

So, the first five speakers that I have on my list, Director Dailey--and the seats are right up here on the front. Come up in groups of five. Richard Baff, with the Ohio Farmers Union. Connie Finton, Ohio Dairy Industry Quorum. Adam Griffin, Holstein Association, and Chuck Sattler with Select Sires.

So if you can come up now, that would be--come up to the front and be ready to speak when it's

your turn. Thank you.

DIRECTOR DAILEY: While they're coming up--and don't start your egg timer yet. I have a special guest that I would like to introduce and that's Representative Jim Aslanides. He's the chair of the House Ag committee, in the back, also a cow-calf producer. Please welcome our chairman of the Ag committee.

(Applause.)

My name is Fred Dailey. As Director of the Ohio Department of Agriculture, I strongly support the creation by government and the industry of a mandatory, uniform, National Animal ID System to identify livestock premises and animals in a way that will allow us to quickly track and respond to serious animal disease incursions in this country. It's time to get this done.

There are three important precepts for making this happen. First, funding must be sufficient and reliable. Without significant cooperative agreement awards from USDA, our state's ability to move forward will be severely limited. We need Congress to pass legislation that shows a national program is supported through continuous line item funding. We can't let this become an unfunded mandate. This would lead to each state developing its own system, or, worse yet, no system at all.

But producers should consider bearing part of the cost to make this a true partnership. While the Canadians use a check-off type system funded through a one-time tag fee, funds for the US system could be collected through transaction fees to ensure all industry segments pay their fair share as animals move through the marketing chain.

Second, data should be readily accessible by state and federal animal health authorities and secured against mischievous and unauthorized users. Private data management has been proposed as

the single best way to address this, but I'm concerned this could lead to other problems. Such a system would likely result in additional expenditures by producers and there would be no guarantee of government's authority to access data quickly when quickness counts.

Private data managers are presenting their services as species-specific, but in a foot-and-mouth disease emergency, for example, we shouldn't have to waste time searching multiple databases for cattle, swine, and sheep.

Third, state and federal implementation should be integrated and methodical. Integrating existing programs in the national system would require considerable work by state and federal animal health officials, Congressional leaders, and the industry. We shouldn't ask producers to ID an animal unless we can record it. We should focus first on premise number allocation, then development of infrastructure to support the identification of animals, and the reporting of subsequent transactions, then testing the system and evaluating compliance needs for the future.

At the end of the day, when the system is fully in place, the advantage to producers will be enormous. With just one identification system, producers will be able to meet new requirements for regulating animal health disease, surveillance, manage on-farm production records, address protocol for branded beef or other marketing and quality assurance programs, and for further obligation of the country of origin labeling programs whether they are mandatory or voluntary. So, instead of needing four ear tags in each animal, we'll just need one. Thank you for considering our recommendations.

MS. GRIMES: Richard Baff.

MR. BAFF: Lady Chair, I yield to our director of the Farmers Union group down in Southeastern Ohio for a question or two. Thank you.

UNIDENTIFIED MALE: Good morning to everybody. I recognize a lot of faces this morning. Reviewing some of the information on the identification program that's proposed, I looked at the distribution of funding. That is one concern I think that needs to be addressed and looked at, considering the amount of--more amount of money needs to be given to this situation directly and across the board. With that, I'll open it up for any questions.

MS. GRIMES: Okay---

UNIDENTIFIED MALE: If not, I'll--thank you.

MS. GRIMES: Thank you. Okay. I have Connie Finton.

MS. FINTON: Thank you and good morning. My name is Connie Finton, and we have a family owned and operated dairy farm here in Ohio. We're usually milking between 70 and 75 cows and we've chosen to market our milk through Dairy Farmers of America. I serve as chairman of the Ohio Dairy Industry Forum. I am vice-chair of Ohio Dairy Producers Organization, and have the privilege of serving on the dairy subcommittee for the USAIP. On behalf of the people I represent, our own farm, and, most especially, me, I thank you for the opportunity this morning to share some of the predominant thoughts from our industry.

I personally believe strongly in the need for an animal identification system that will protect the US animal industry and the US food supply. We need to have the ability to do what is necessary to assist our state and federal veterinarians in conducting tracebacks with regard to serious animal health events. We believe that the system must assure confidentiality to producers. We believe the system must move quickly from voluntary to mandatory, and freedom from public access under the Freedom of Information Act must be included.

We believe strongly that working closely with the states will aid in implementing the program more quickly; however, proper funding must be made available. Producers cannot be expected to bear an unreasonable share of the costs of the program. We believe all animals coming into this country should come in with comparable and compatible, traceable, identification. We believe the RFID system is currently the best system available for the cattle industry, and I believe the dairy industry will be able to transition to this system in an orderly fashion as the program becomes mandatory, especially in light of the fact that most dairy animals are already under some form of management ID at the current time.

Again, I would like to reiterate, confidentiality, confidentiality, confidentiality. Moving from voluntary to mandatory as soon as possible, and assistance with funding. We support a safe food supply and a healthy, viable livestock industry. Thank you very much.

MS. GRIMES: Okay. I have Adam Griffin of the Holstein Association.

MR. GRIFFIN: Good morning. Thank you. I am Adam Griffin, Dairy ID and Programs manager with the Holstein Association USA. This country's animal agriculture producers, including the Holstein Association's 35,000 members, are at risk today from threats of additional cases of BSE in this country and threat of foot-and-mouth disease. It is our belief that animal identification for production and agriculture in this country needs to be mandatory.

Additionally, it cannot be technology neutral. RFID technology is the most accurate, efficient, and cost-effective form of animal ID in the country today and for years in the future.

Without a mandatory animal identification program in this country, we will continue to be denied market access to certain countries throughout the world. Currently, 58 countries have banned

U.S. beef since BSE was identified in Washington State late last year.

The National FAIR program, which is coordinated by the Holstein Association, is an animal ID and traceability program in place and working today that incorporates RFID tags. The National FAIR program provides each animal with a unique identification number and uses electronic RFID ear tags to identify and track animals. Similar to a Social Security number or a car's vehicle identification number, the number stays with the animal for its lifetime.

The Holstein Association USA has worked cooperatively with USDA, APHIS, and Veterinary Services since 1999 to design, develop, and demonstrate a pilot project for a National Livestock Identification Program that will trace livestock from farm to farm and farm to market and market to processing unit. This goal has been accomplished, as the National FAIR program has been identifying and tracing animals from birth to slaughter for several years. The National FAIR program has an infrastructure already in place consisting of a comprehensive database, a dedicated tech provider, and a coordinated field service staff.

The National FAIR program was developed by producers, for producers. Currently there are well over 1.3 million animals in the National FAIR database. Information for security in the FAIR system includes where and when the animal was born, what locations the animal has been at, such as farms, markets, or processing plants, what animals the animal--what livestock the animal has had contact with, and eventually where the animal was slaughtered.

Information in the National FAIR database allows for the tracing of animal movements from birth to slaughter in as little as a few minutes. As part of the system, tag readers that are designed to read electronic tags are already in place in markets and processing facilities throughout the United

States.

Ladies and gentlemen, a National Animal Identification Program needs to be implemented now.

MS. GRIMES: And Chuck Sattler.

MR. SATTLER: Good morning. My name is Chuck Sattler, and I am the vice president of genetic programs at Select Sires. Select Sires is a cooperative involved with the artificial insemination of cattle. We have farmer owners located across the USA. We appreciate the opportunity to provide comments about animal ID this morning.

A significant portion of our revenue is generated from exporting U.S. cattle germplasm. The income generated from exports goes back to cattle producers and also offsets the cost of developing improved genetics for all domestic producers. Cattle germplasm is no different than other agricultural commodities in this regard. Maintaining the health of our national herd is vital for farmers to continue to benefit from participating in these export markets.

We routinely compete against companies located in other countries with established national ID systems. As we visit with these folks, we have never heard anyone complain that their national ID system is a bad idea or a waste of resources.

Operating in a country without a national ID system makes us vulnerable in two areas. One, in the event of domestic disease outbreak, our animal health officials will not have the data they need to respond quickly, and this will lead to extended time periods of restricted animal movements and closed borders. And two, the fact that other countries are already requiring this of their producers could very well lead to an international requirement for ag products that include a national ID program. In the

current situation, that could be considered as a trade restriction against products from the USA.

We support the USDA efforts to establish a national ID system. A lot of valuable industry input has been assembled in the US Animal ID plan, and we encourage USDA to use these recommendations in developing the national system. We support the mandatory ID system for cattle, because we don't believe we will have a national system until ID is mandatory, and we support moving to mandatory ID sooner rather than later.

Moving forward with implementation of the NAIS is vital. A potential national ID system has been talked about for over a decade. The industry has proposed a framework. There have been a number of pilot projects and pilot industry programs that have field-tested various systems, and now it's time to move forward with implementation. Thank you for the opportunity to comment.

MS. GRIMES: Thank you, the first group of five. I'm gonna call the next group up, and the next five on my list are D.L. George from Hatfield Quality Meats, Elizabeth Harsh from Ohio Cattlemen's Association, David White from the Ohio Farm Bureau, Rose Volkert, and Dean Pugh of Pugh Family Farms.

MR. GEORGE: Good morning. My name is Delfield George. I'm manager of livestock procurement and logistics for Hatfield Quality Meats, located in Hatfield, Pennsylvania. Hatfield Quality Meats is a family-owned business that was founded in 1895. Hatfield is a full-line packer and processor that markets fresh pork and processed products from Maine to Florida. Our current daily harvest average is 8,100 hogs per day on a single shift. We harvest over 2 million hogs annually.

The animal identification program is very general about what specifically will happen when swine reach a packing plant. Two options offered are, upon arrival to the packer/processor, the

premise ID barcode is scanned, linking the tattoo number to the premise ID. Or, pork producers can use official individual identification devices with the animal ID number on each pig, physical ID tags, or RFID tags.

The scanning that is mentioned is supported by readily available technology, but the systems that don't exist will have to be developed. To capture the animal ID number from individual identification devices is potentially problematic. If a group or lot of pigs has individual animal identification ear tags, does the packer have the responsibility to make sure that every pig in the group or lot has the same premise ID, or can a packer obtain one premise ID and assume that all swine in that group or lot have the same ID?

Current hand-held computing devices do not generally have RFID reader interfaces. Fixed position RFID readers are generally available, but how are you going to coerce pigs to stand still long enough to the exact location of an RFID reader in order to capture the RFID information? In short, how is RFID information proposed to be captured at the packing plant?

The capture of the animal ID number from the individual identification devices that are visible ID tags will most likely be done by pen or pencil and clipboard. Errors in transcribing premise ID's will occur. What happens when a handwritten manually--and a premise ID is submitted incorrectly?

After all of this ID-ing, tracking, collecting, reporting of information will come at a cost in dollars. While the US Animal Identification Plan does not specifically say so, we presume that the assumption is that packers will bear the cost of developing the data collection and reporting systems that will fulfill their role with the animal identification plan. Presumably each packer is responsible to reinvent the wheel and APHIS will require valuable resources on compliance activities as each packer

struggles to reinvent the wheel.

Ideally, it would have the hooks with which packers could interface to their own proprietary information systems. The savings in time, energy, and resources and money could prove enormous.

Mr. Secretary and the staff at USDA, thank you for your time and consideration.

MS. GRIMES: Thank you. Elizabeth Harsh.

MS. HARSH: Good morning. My name is Elizabeth Harsh, and I'm the executive director for the Ohio Cattlemen's Association. Our association is the beef industry trade organization for the state. Our numbers vary in the size and type of their beef operations, but the one thing they all have in common is that a national animal identification program will impact each and every one of them.

Our association supports the concept of an animal disease, surveillance, and monitoring program that would provide 48-hour traceback capability, and we appreciate USDA holding one of these listening sessions here in Ohio.

We believe that most beef producers see the value in a national animal identification program because we truly operate in a global marketplace. However, we also believe that the system has to be simple at the producer level. The Ohio Cattlemen's Association understands producers' concerns, many of which can be summarized as a natural fear of the unknown and some resistance to change. Therefore, our association looks forward to helping with the program's educational outreach efforts.

Many decisions and issues lie ahead for beef producers, such as understanding the implications of determining premise numbers for their individual operations. Confidentiality questions have already been addressed at this and other sessions and certainly cannot be ignored. Program buy-in will

be greater if we can assure that producers' data will be kept confidential and that only approved animal health authorities at the federal and state level will have access to that information.

But consideration of the direct and indirect costs to our producers continues to be a concern. Once we are through the development and implementation phase, we need to ensure that producers will not bear the full cost of maintaining the program in the future. Development of system standards is also a concern. While flexibility is important, we need to make sure that we have one system and not 50 different, and that will be the key to the success.

However, even given these very valid concerns, we still urge the continued development of the program based on a strong partnership between industry and government. To walk away and ignore the opportunity for the industry to help mold a workable system would only open the door for alternative programs, perhaps driven by other interests, that would most certainly shift the focus away from a program based on animal disease and monitoring, and eliminate the opportunity for industry input into its development.

Thank you for the opportunity to provide input today.

MS. GRIMES: Thank you. Just give me one minute to reset this before I call the next speaker. All right. David White from the Ohio Farm Bureau.

MR. WHITE: Thank you. Good morning. My name is Dave White. I represent the Ohio Farm Bureau this morning. For several years, Ohio Farm Bureau Federation policy has supported the Ohio Department of Agriculture having the authority and funding necessary to rapidly respond to animal diseases or acts of bioterrorism. Such rapid response will only be realistic and practical if an animal identification program is in place. Establishing and implementing a national

animal identification system capable of providing support for animal disease control and eradication, as well as enhancing food safety and national security, is vital to the long-term viability of the livestock industry.

The industry is important to Ohio's economy. Livestock and dairy, poultry production account for more than \$7.89 billion in economic output and nearly 38,000 jobs, either on the farm or in processing in the state. Additionally, livestock is the number one customer of Ohio's corn and soybean producers. Therefore, we support the establishment of an economical livestock identification program, provided the following issues and concerns are considered and successfully addressed.

These concerns are as follows. One, confidentiality. The national identification program must ensure security of producer information and respect privacy of livestock, dairy, and poultry producers by only collecting minimum data necessary to establish a traceback system. Success of the program will depend on producers' belief that the information being collected will remain confidential. Farmers are more likely to accept a system that uses information for purposes for which the information was gathered.

Maintaining confidentiality of the animal identification for the protection of all involved with livestock production is extremely important. Federal and state government must safeguard this information from being used for unintended purposes, such as harassment, and control who has access to program files and information.

Information obtained by this program should only be accessible to credible animal industry sources and appropriate public agencies for the purposes of planning, organizing, responding to disease outbreaks or acts of terrorism.

Furthermore, since the program is being developed to protect the nation's food supply, thus also enhancing national security, it is our belief that such producer information should only be made available to the public when an actual emergency has been declared, and/or when government and taxpayer funds are being utilized to indemnify producers for economic losses as the result of an animal emergency. The producer information made available in any scenario would need to be specifically and directly related to an actual emergency.

Cost. The program must be cost effective, with expenses shared among government, industry, and producers. Such costs should be established and regulated by an advisory board consisting of livestock producers, processors, state departments of agriculture, and USDA. Costs being borne by producers should be minimal and not burdensome. Cost of the program passed along to the producers should be economically sensitive, practical, reasonable, and not have a major impact on profitability.

Additionally, we'd like to summarize that we are concerned about liability protection and uniform standards, which are described in the comments I will submit for the record. Thank you very much.

MS. GRIMES: Thank you. The next speaker is Rose Volkert.

MS. VOLKERT: Good morning. My son and I breed, on a small scale, Arabian foundation horses. My comments are confined to the equine industries, in which this system is totally unenforceable, unnecessary, and inappropriate.

Horses are companion animals, pets, if you will. They are bathed and groomed, provided with blankets in winter, bug spray in summer, stalled in individual areas, fielded on lush grass with tailored fencing, ridden and trained under saddle, loved, pampered, and deeply mourned as unique beings when

they die.

Tremendous investments are made for them in all of the many phases of their activities with humans: 4-H, racing, showing, reining, cutting, barrels, endurance, dressage, and many more.

Horses are not, in our culture, bred and raised, as are beef cattle, hogs, and mutton sheep, to be slaughtered for food.

The first words out of Dr. Weimer's mouth when I spoke to him initially on January 26 of this year were that we need this in the interest of our trading partners. He declined to say what that interest was, but when it was suggested to be foreign consumption of American horses, he did not deny it.

On February 1, I spoke with Gary Wilson, Ohio representative to the cattlemen's working group that composed the United States Animal Identification Plan. He told me that horses had been excluded from the USAIP as it was being developed by the beef, pork, and mutton producing industries; that equines were only thrown into the plans as an afterthought in the last few weeks. It seems now that the cattlemen are abandoning the USAIP and rejecting any USDA plan and intend to go their own way.

Then we started hearing about zoonotics and a supposed threat through which thugs and criminals, who we call terrorists, using this tool to injure America. In answer to queries to the Ohio State University veterinary college, no diseases are realistically transmitted from horses to humans with the possible exception of rabies. Are we then to identify all dogs, wolves, foxes, and other feral animals from whom humans can contract rabies?

When contact was made with representatives of USDA to learn of clinical proof of disease transmission from horses to man, they declined to reply. Horses certainly do not carry hoof and mouth disease. The equine industries provide far and away some of the best preventative medicine known to

any species in our society. Our horses are routinely inoculated not only for rabies but many other diseases.

Gourmet horse meat? We are under no obligation to expend millions of taxpayers dollars to ensure the palates of our trading partners, horse meat lovers, enjoy pure and fresh safe horse meat. It is equally impossible to implement this system in the United States. There is in the neighborhood of 7 million horses in our country. Attempting to identify all of them through any means is simply beyond the realm of reality and constitutes a tremendous waste of money.

A great man once said, "We have nothing to fear but fear itself." Rather than spreading our resources thin in attempts to respond to hypothetical threats, we should be applying them to the apprehension of the thugs and criminals who may or may not be challenging our internal safety, and we should not be including horses in any identification plan for animals. Thank you very much, and I'll have to excuse myself for professional reasons.

MS. GRIMES: Okay. And the last speaker I have here in this group of five is Dean Pugh.

MR. PUGH: Good morning. My name is Dean Pugh. I'm a lifetime resident of Ohio. I am currently employed with Freshmart/Sugardale/Superior for 40 years, a national sales account executive. I met the USDA guys every day at 5 a.m. in the morning for 20 years, responsible for kill and production facilities.

I'm also the co-owner of Pugh Family Farm. We raise Angus and breed Angus cattle. Our goal there is to raise replacement heifers and bulls for the industry through advanced genetic programs.

Also, I'm president of the Star County 4-H and Junior Fair Marketing Committee, and very

active in 4-H and the development of young people through that program, and also direct them towards the agricultural industry. In a way, I feel like I'm speaking to the choir here this morning.

I'm a father of three boys and a girl, all graduates of OSU ag school. I have a vet, owner of a large landscaping business whose environmental concerns are important to him, a daughter applying to vet school, and an environmental lawyer. My wife is a science teacher of 30 years, and was raised on a family dairy farm. I'm a member of the American Meat Institution. As you see, our family believes in the life of agriculture and living it.

My goal today is to remind everybody here that we must protect the importance of our current agriculture structure. This current structure allows for the education of future leaders of our country, not only within the agriculture community, but doctors, lawyers, et cetera, et cetera. They are very fine citizens and leaders. The valuable lessons that are learned by the young people from the farm and the agriculture community are second to none.

Be careful the regulations that we design are only not designed just for a few, like the Tysons and the Smithfields, which will be able to afford any regulation that's put into effect. As we heard from the fella from Hatfield this morning, there's a tremendous cost to get this product to the market and identify it the whole way through.

I also would hate to see this industry put in the hands of a few. My vast experience from the farm to the grill tells me the cost of the program is a monster, but the rest--but the real loss will be the education benefits of our farms. My hopes and prayers that you people that are responsible for the final design of this program protects our ag community and not destroy what is good. We have a tremendous system. Our country, by far, wins the gold when it comes to food safety and having a very

safe meat program. Be careful not to destroy it with regulation. It has taken many years to develop what we have. Thank you.

MS. GRIMES: Okay. I have another group of five to come up. The first is Joe Logan from Ohio Farmers Union; Dennis Bolling, United Producers; Mark Place from--is it Licking County, Licking County? Licking County, sorry. Henry Bergfeld from Summitcrest Farms, and--is it Guy Flora from American Sheep Industry? Okay. And our first speaker will be Joe Logan.

MR. LOGAN: Good morning. Good morning, Under Secretary Hawks, Director Dailey, ladies and gentlemen. On behalf of the members of the Ohio Farmers Union, I'd like to thank you for the opportunity to provide input on this important food security initiative.

We all agree that our nation has certainly distinguished itself as one of great abundance, and certainly that abundance has contributed greatly to the overall strength and stability of our nation. But beyond abundance, trust and confidence of the American people are required to maintain this strength. And as you all know, our nation cannot take for granted food security, especially in the current environment of multiple threats, and so we applaud USDA and its proactive stance with regard to the establishment of a system that could provide scientists and investigators with the necessary tools to trace back outbreaks of contamination or substandard quality, and such measures could be quite useful in calming irrational fears and in rebuilding confidence in the event of an accident or malicious incident.

That said, our organization has some concerns with regard to the nuts and bolts of this program as it evolves. First of all--and you may have heard this somewhere before--confidentiality. A comprehensive nationwide animal ID system will generate a vast database of information, and whereas

that information--information is power, we urge USDA to maintain exclusive custody and control over that database rather than having it within the control of a corporate or a quasi-governmental organization.

Point two. We urge USDA to incorporate default assumptions into their analysis procedure. For instance, if E. coli contaminated meat is discovered in a consumer product, each step in the chain of custody should be sequentially investigated and eliminated as a cause before proceeding on to the next step. It would be an unfortunate disservice to the American people and to the American farmer to assume that a farm was the source of that contamination simply because we now have the ability to establish that farm as the original source of the problem.

And thirdly, although several sets of technologies have been explored and are currently being explored as a potential basis for a nationwide ID system, we certainly urge USDA to adopt a system that is both farmer-friendly and very cost-effective.

And lastly, we continue to believe, as do consumers across the nation, that mandatory country of origin labeling can still represent a great degree of food security for the least cost. And so we would very much urge USDA and the government to reconsider their opposition to country of origin labeling as it could be one of the most valuable tools in assuring food security. Thank you very much.

MS. GRIMES: The next speaker is Dennis Bolling.

MR. BOLLING: Good morning. My name is Dennis Bolling. I'm the president and CEO of United Producers Incorporated, a livestock marketing and financial services cooperative headquartered here in Columbus, Ohio.

Our organization has been very active in the ID development process, having active

involvements in the cattle, swine, and marketing work groups. Additionally, we have been involved with the development of the government's portion of the US Animal Identification Plan. Thank you very much for the opportunity to express our views on livestock identification and how the implementation of the national program may impact the livestock industry in this region.

We operate 24 weekly auction markets, 25 livestock collection points, substantial farm to packer and farm to farm marketing programs in an eight-state region throughout the Midwest. We have utilized the RFID systems and source verification programs in concert with our feeder cattle marketing out of our Paris, Kentucky, facility. Obviously livestock ID has proposed a huge issue and a challenging issue for us. In this very short time, I'd like to focus on three main ID issues. Obviously there are many more.

First, it is our belief that the--after the establishment of a state-by-state premises ID system, the marketing sector associated with a daily movement of livestock and commerce will be the workhorse to carry out the goals and intentions of the ID program.

We have been involved with livestock identification since our founding in the 1920's and the '30s. Never before have we been confronted with an identification mandate involving these kinds of technological requirements for implementation.

We need an acceptable ID program that allows us and our producers to operate with minimal disruption in the marketplace. Issues such as movement reporting and tracking must be made workable and efficient between states and regions. After reviewing the state cooperative agreement grants, there seems to be a situation surfacing where each state or group of states is developing their own ID system. United Producers, with multi-state operations, would very much encourage a

consistent approach through the Uniform Methods & Rules of the NAIS.

Second, the ID program as proposed will have a major cost requirement for the marketing sector. After pricing what we think would be sufficient equipment and software to comply with the multi-species requirements of the NAIS, it is very clear that the marketing sector organizations, including ours, will have a major cost challenge. To this point in time, after substantial involvement in the development of the National ID Program, I believe there's minimal USDA concern about what the program requires in terms of cost for the marketplace, the day-to-day workhorse of the whole program.

Those that believe that the markets and collection points will only need a handheld wand and a laptop computer grossly underestimate the real needs to carry out the proposed ID system in commerce.

Finally, the marketing sector, prior to implementation, needs to have the resources to conduct expanded field trials to ascertain what works efficiently. Substantial numbers of livestock producers will look to their marketer for assistance with initial tag application, movement reporting, and other associated issues. We urge the USDA to fund marketplace field trials with the 2005 funding availability.

We appreciate the ability to participate in these listening sessions, and thank you for being here.

MS. GRIMES: Mark Place.

MR. PLACE: Thank you. My name is Mark Place, and my county Farm Bureau of the county you're currently in asked me to come and speak a few words. It's pretty small potatoes in the presence of all the people, the distinguished speakers here, but from the grassroots level, we had a few words, and they were "data security." As secure as our personal medical information is absolutely the

most important thing we have. Thanks.

MS. GRIMES: And Henry.

MR. BERGFELD: Good morning, and thank you for the opportunity to visit with USDA concerning the tag system, or identification system, if you will. My name is Henry Bergfeld, general manager of Summitcrest Farms, a family-owned corporation headquartered here in Ohio with cattle operations in Ohio, Iowa, and Nebraska. So we are quite involved in the cattle industry.

I heard a number of very good and positive comments made by colleagues in the cattle business here this morning, and I believe that many of those comments are very, very important to us. I also am quite sympathetic to the problems that USDA has to deal with to come up with a tag and a system that can be used and adopted industry-wide, as you're dealing with a group of people in agriculture that are extremely independent. That's part of why we're here.

With that said, we strongly endorse the fact that we need a system, and we do believe that it must be led by USDA. As Chuck Sattler pointed out, other countries already have those systems in place. I have dealt with a number of those also and concur. We've heard no problems. We currently are and we currently have lost market because of our system without a tag and identification program. Strongly believe that it needs to happen.

I believe that it would be good to start with a voluntary program, but to move as rapidly as possible to mandatory. It has to be all involved to be completely successful. Again, I think that we as producers will have benefit from it, and that we do need to share in some of the cost. I understand, and I'm not willing to suggest how much, but we do need to share in some of the cost.

I do question a couple of things. One, maybe the neutrality on the technology. That in itself,

maybe there will be added cost in so many places with different systems being used across the country. I do believe that maybe that has to become more uniform. With that said, there's been a good deal of talk. Time is of essence, and we need to move, and I strongly endorse as fast as possible. Thank you.

MR. FLORA: My name is Guy Flora. I'm president of the American Sheep Industry Association, and also a small farmer here in Ohio, and I thank you, Dr. Hawks and Dr. Ragan, for coming and listening to our comments. I think you already know ASI's position from the members of our association that are in a working group. I would merely like to reiterate one or two or three of them. The sheep industry already has a mandatory ID program, the scrapie eradication program. It works. It's ably administered here in Ohio by Area Veterinarian in Charge Dr. Sue Skorupski and our State veterinarian, Dr. Glauer. We've had some experience with the difficulties of a mandatory situation and we know that they can be worked out and come up with a workable system.

We have some cost--some concern about the cost of ID in comparison to the cost of the animal that's wearing the ID. A \$5 ID on a \$1,000 steer doesn't amount to much. When it's on a \$100 lamb, it does.

Secondly, a 15-digit identification number presents all kinds of difficulties in transferring information. Plus, I can't imagine an ear tag on a sheep with 15 digits.

We also ask that, if it's possible, that the group identification be used for the large groups of western lambs that are shipped by producers in the west, sometimes as many as 10,000 in one day, and to physically ID every single one of those lambs would be an almost impossible task. With those suggestions, I thank you for your time.

MS. GRIMES: Thank you. I have, I believe, just three more speakers. Robin Saum

from American Dairy Goat Association, Fred Voge of Voge Farms, and the last name is--I apologize for this. The handwriting is difficult to read. Joseph Logan, or Joseph Loger from Ohio Farmers Union.

MR. HAWKS: He already testified.

MS. GRIMES: All right. So, we have two. Robin?

MS. SAUM: Good morning, and thank you for the opportunity to address you. I know you've heard from other people in the American Dairy Goat Association. I'm the current president of the association, and I live right here in Ohio on a farm here in Ohio that does raise dairy goats, meat goats, and also pork. So we're affected on every aspect. Just some background on the American Dairy Goat Association. We're the largest registry of dairy goats in the United States right now. We do have a unique system to identify goats. It's a unique tattoo. It has a herd identifier in one ear and it has an animal identifier in another ear. It is all tracked by our computer system with the American Dairy Goat Association, and when the animal moves around we're able to track that too. You can get that information within 48 hours by contacting our ADGA office.

We are also now, as of our last board meeting, we do accept microchipping as an alternative method for animal identification. We're similar to the sheep, and a 15-number identifier--our ears are about the same length as a sheep's. It's kind of hard to get 15 things in a little tiny ear of an animal. What the American Dairy Goat Association is really asking is to be allowed to continue with our current ID system as we're using it today, with the unique either tattoo or microchip for the show purposes, the animal exhibition and movement, until they would move into the meat chain or the food chain here in this country.

We certainly recognize the need to identify animals going into the food chain for biosecurity and food safety measures, but we are a unique species in aspects similar to llamas and horses, and a lot of the animals are exhibition animals only.

I want to thank you for the opportunity to address you and ask you to just please take those into consideration.

MS. GRIMES: Our last speaker is Fred Voge.

MR. VOGUE: Thank you. I'm Fred Voge from Preble County, southwestern Ohio. I'm a farm owner, part-owner of some family farms. I just want to point out to Secretary Hawks and Director Dailey, I've been sitting up here in the front all morning long, and I truly am the only one that's been up here this morning with manure on the outside of my boots.

And that brings me to my first point here, I need--think you need to make sure you have enough people involved in this process with the dirty boots, particularly at the state level here in Ohio. I have some concern and would urge Director Dailey and Dr. Glauer to make sure you have enough people with the dirty boots involved as we work our way through this proposal.

I would also urge you to have universal implementation. I attended the Ohio Summer Round-Up from the Ohio Cattlemen's Association. I left that event with the impression that Ohio could possibly move forward at a faster pace than maybe the other states in the nation, as well as our other surrounding states, and I'm very cautious.

I urge Director Dailey, Dr. Glauer, and some of our legislators to be very cautious if they decide to embark upon that course, because the decisions you make can have monumental effects on the commerce of livestock between the states. And I remember not too many years ago when we

worked our way through the pseudorabies rules and the rulemaking process that--that was a delicate process to move through. So let's all move forward at the same pace.

There's no doubt, as you went through the cattlemen's tour, that almost every cattle operation in south and western Ohio is going to have to retrofit their operations and their cattleworking facilities to comply with things that probably don't have to be done with this. I would urge you to make sure that there are some funds available, maybe similar to the EQUIP program, to help with these added costs, and those added costs will be minimal compared to the total cost of maintaining this program once we get it into effect.

The same thing goes with your--your market sector, as Mr. Bolling talked about. Just the implementation isn't the major cost. A couple of questions I have. You know, we presently use back tags in the market system. Will we continue to need to use those back tags or will these ear tags be the official record?

The event documentation, how are we going to deal with--with how that is documented, particularly with the third party verification and whatnot? And usually us guys with the dirty boots don't know much about these cooperative agreements. How do we find out about these and how this is all handled?

And lastly, this could potentially be one of the best things that's ever happened for American agriculture and the American consumer, but I think you need to make sure that any meat products and food products that are coming into the United States are coming from an equally good, safe system. Thank you.

MS. GRIMES: Thank you very much, everyone.

(Additional comments were made by Mr. Hawks and Dr. Ragan, and the meeting was adjourned at 12:00 p.m.)